

SECOND LEASE AMENDMENT AND EXTENSION OF THE LEASE

THIS SECOND AMENDMENT AND EXTENSION OF LEASE ("Second Amendment") is entered into effective July 22, 2011, by and between THE GUELSKY COMPANY LLP d/b/a The Montgomery Center, by GRADY MANAGEMENT, INC. its duly authorized managing agent ("Landlord"), whose address is The Montgomery Center, Suite 625, 8630 Fenton Street, Silver Spring, Maryland, 20910 and MONTGOMERY COUNTY, MARYLAND, a body corporate and politic and a political subdivision of the state of Maryland ("Tenant" or the "County"), whose address is c/o Office of Real Estate, 101 Monroe Street, 9th Floor, Rockville, Maryland, 20850, Attn: Director of Real Estate, with a copy (that does not, in and of its self, constitute notice) to Montgomery County, Maryland, Office of the County Attorney, 101 Monroe Street, 3rd Floor, Rockville, Maryland, 20850. (the Landlord and the County together the "Parties.").

RECITALS

Landlord and County entered into a Lease Agreement, dated December 26, 2000, as amended by the First Amendment to Lease dated February 8, 2005 (collectively the "Lease"), by which the County leases approximately 21,063 rentable square feet of space ("Premises") located on the 10th Floor of the Montgomery Center, 8630 Fenton Street, Silver Spring, Maryland, 20910 ("Building"), for a term which is set to expire on December 31, 2011 ("Extension Term"); and

Landlord and the County have agreed to modify the Extension Term so that the Extension Term shall end at the earlier date of July 31, 2011; and

Landlord and the County desire to extend the term of the Lease for an additional seven (7) years, and six (6) months commencing August 1, 2011 and ending January 31, 2019; and

Landlord and the County agree to amend said Lease upon the terms, conditions, covenants and agreements set forth in this Second Amendment to reflect the same.

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound, the Parties agree as follows.

1. The recitals contained above are true to the best of the Parties' knowledge and are incorporated by reference herein.
2. Defined Term. Any term used herein that is defined in the Lease shall have the same meaning as specified in the Lease unless otherwise specifically provided herein.
3. Extension Term. The Extension Term shall be revised so that the expiration date of the Extension Term shall be July 31, 2011 instead of December 31, 2011. Any provision regarding Rent in the Lease, past the expiration date of the Extension Term shall no longer be applicable.

4. Revised Extension Term. Effective as of the date hereof, the term of the Lease shall be extended for seven (7) years and six (6) months, commencing August 1, 2011 and ending January 31, 2019, which terms shall be defined as the "Revised Extension Term". Any provision in the Lease, whether expressed or implied, which could be construed as providing the County a further right to extend the term of the Lease, past the expiration date of the Revised Extension Term set forth in the preceding sentence shall no longer be applicable.

5. Term. Effective as of the date hereof, paragraph 2 of the Lease, entitled, "Term" shall be modified by adding the following as a new paragraph:

"Tenant shall have one (1) consecutive renewal option, having a term duration at Tenant's sole election of one (1), three (3) or five (5) years, to renew the Lease for all or a portion of the Premises (including any additional or any reduction in space leased by Tenant during the Revised Extension Term) exercisable by Tenant upon nine (9) months prior written notice to Landlord ("Renewal Option"). Tenant will declare the term duration at the time Tenant provides written notice to Landlord. The Full Service Rent for any such renewal shall be a fair market rent taking into consideration the age, location of the Building, brokerage commissions, the credit of tenant and the prevailing market concessions at the time. In the event the Parties can not come to a conclusion of the fair market rent, Tenant has the right within the ninety (90) day written notice period to terminate the extension of the lease for a renewal term."

6. Rent. Effective as of the date hereof, paragraph 3 of the Lease, entitled, "Rent" shall be modified by deleting the first sentence in its entirety and adding the following in lieu thereof:

"During the first lease year of the Revised Extension Term, August 1, 2011 through July 31, 2012, the County shall pay or cause to be paid to the Landlord the full service rent in the annual amount of Four Hundred Eighty Four Thousand Four Hundred Forty-Nine Dollars (\$484,449.00), payable in equal monthly installments of Forty Thousand Three Hundred Seventy Dollars and Seventy-Five Cents (\$40,370.75). "Full Service Rent" shall be inclusive of all operating expenses, any rent escalations, Landlord funded leasehold improvements, real estate commissions and a fiscal 2011-2012 base year for real estate taxes including all other terms and conditions set forth in the Lease."

Effective as of the date hereof, paragraph 3 of the Lease, entitled, "Rent" shall be modified by adding the following as a new paragraph:

"Landlord will abate four (4) months of the then escalated Full Service Rent within the months set forth below: August 1, 2011, January 1, 2012, January 1, 2013 and January 1, 2014."

7. Rent Adjustments. Effective as of the date hereof, paragraph 4 of the Lease, entitled, "Rent Adjustments" shall be modified by deleting the paragraph in its entirety and adding the following in lieu thereof:

"It is agreed between the Parties that the annual Full Service Rent paid to the Landlord shall be adjusted commencing with the second lease year, August 1, 2012 through July 31, 2013 and each lease year thereafter by a fixed Three Percent (3%) increase over the previous lease years Full Service Rent.

8. Construction. Effective as of the date hereof, paragraph 5 of the Lease, entitled, "Construction" shall be modified by adding the following as a new paragraph:

"Included in the Full Service Rent as set forth in paragraph 5 above, Landlord shall (1) paint and re-carpet the entire Premises and (2) provide a "Tenant Improvement Allowance" defined as the amount equal to Five Dollars (\$5.00) per rentable square foot. In the event Tenant does not utilize the entire Tenant Improvement Allowance as defined herein by no later than July 31, 2013, Landlord shall provide the unpaid balance of the Tenant Improvement Allowance to Tenant in the form of rent abatement within thirty (30) days thereafter."

9. Real Estate Base Year Adjustment. Effective as of the date hereof, the third sentence of paragraph 7.A. of the Lease, entitled, "Real Estate Taxes" shall be modified by deleting the sentence in its entirety and adding the following in lieu thereof: The "Base Year" is hereby defined as the fiscal tax year commencing July 1, 2011 and terminating June 30, 2012."

10. Alterations. Effective as of the date hereof, paragraph 12 of the Lease, entitled, "Alterations" shall be modified by adding the following as a new paragraph:

"Notwithstanding the foregoing paragraph to the contrary, Tenant shall not be required to notify Landlord for any alterations to the Premises that are (1) cosmetic in nature, or (2) are in the amount of less than \$15,000 per occurrence."

11. Assignment and Subleasing Effective as of the date hereof, paragraph 14 of the Lease, entitled, "Assignment and Subleasing" shall be deleted in its entirety and the following shall be added as a new paragraph:

"At all times during the Revised Extension Term and during all Renewal Option(s), Tenant shall have the right to sublease all or any portion of the Premises, or to assign all of its leasehold rights, to any entity with Tenant providing written notice to Landlord within fifteen (15) calendar days after such event. Tenant shall be entitled to retain fifty percent (50%) of any net sublease profits after Tenant first fully deducts and fully recovers on a cash basis all reasonable and ordinary transaction costs incurred by Tenant. Notwithstanding the foregoing, and in the event of a sublease, Tenant will remain fully liable for the performance of all monetary and non-monetary covenants under the Lease. In the event of an assignment, Landlord shall look to the assignee for the Tenant's obligations and/or liabilities under the Lease."

12. Holdover. Effective as of the date hereof, paragraph 19 of the Lease, entitled, "Holdover" shall be modified by adding the following as a new paragraph:

"Notwithstanding the foregoing paragraph to the contrary, during any Holdover Period, Tenant shall not be required to pay Landlord in excess of 125% of the Full Service Rent being paid to Landlord during the last year of the Revised Extension Term or any renewal term."

13. Broker. Landlord represents and warrants to the County that the Landlord has not dealt with any broker, agent or finder in carrying on the negotiations relating to this Second Amendment, other than Jones Lang LaSalle Brokerage, Inc. Landlord agrees to pay all fees associated with the use of the Broker and the County is not to be held responsible for any Broker Fee due and owing to Jones Lang LaSalle Brokerage, Inc., or any other broker in connection with this Second Amendment.

14. The following shall be added as new sections to the Lease:

33. American with Disabilities Act compliance and other Compliance with Laws

Landlord represents and warrants to Tenant that the Building, including but not limited to: a) entrance doors, b) lobby areas, c) stair wells, d) elevators, e) elevators, e) HVAC mechanical systems and f) restrooms, are in compliance with, and will continue to comply with, all statutes, laws, by-laws, ordinances, rules, regulations, directives, orders and requirements of all governmental, quasi governmental or regulatory authorities or agencies including without limitation, police, fire, health and environmental authorities or agencies, including but not limited to the American with Disabilities Act and the ASHRE standard for fresh air mix. Additionally, any deficiency in same shall be corrected by Landlord at its sole cost and expense within thirty (30) days of discovery of the same.

34. Fire Alarm System Landlord confirms that the Building is equipped with a fully addressable and expandable code compliant fire alarm system. In the event the Building is not equipped with the above mentioned fire alarm system, Landlord, at its sole cost and expense will install or make any necessary upgrades to said fire system to make said fire system compliant within thirty (30) days of discovery of the same.

15. Notices. The Lease is hereby amended to reflect that all notices shall be sent to the Parties at their respective addresses set forth above

16. Captions. Section headings are used for convenience only and shall not be considered when construing this Lease.

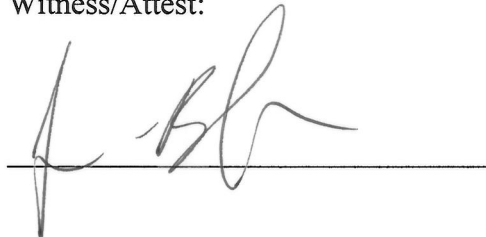
17. Except as amended hereby, all of the terms and provisions of the Lease shall be and remain in full force and effect.

18. This agreement will not be binding upon any party until this document has been executed by all Parties thereto.

SIGNATURE BLOCKS CONTAINED ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, Landlord and County have executed under seal and delivered this Second Amendment under seal on the date first above written.

Witness/Attest:



COUNTY:

MONTGOMERY COUNTY,
MARYLAND

By:

Name:  Diane R. Schwartz Jones

Title: Assistant Chief
Administrative Officer

Date: 7/22/11

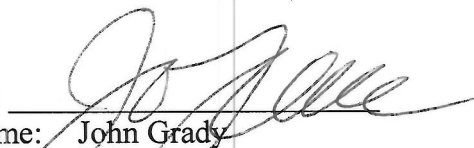
Witness/Attest:



LANDLORD:

THE GUELSKY COMPANY, LLP,
d/b/a The Montgomery Center by
GRADY MANAGEMENT, INC.

By:

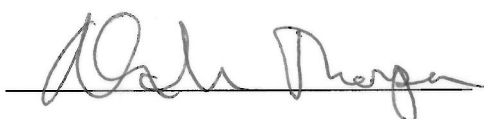
Name:  John Grady
Title: Vice President

Date: 7/30/11

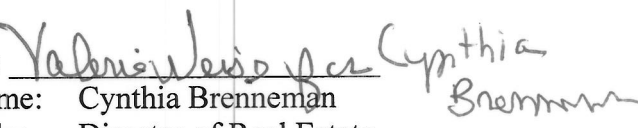
APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED:

By:



By:

Name:  Cynthia Brenneman
Title: Director of Real Estate

Date: 7/21/11

Date: 7/21/11